

116TH CONGRESS
1ST SESSION

H. R. 2810

To amend the Internal Revenue Code of 1986 to treat certain payments made by Indian tribal governments as earned income for purposes of the kiddie tax.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2019

Ms. MOORE (for herself, Mr. ESTES, Mr. CALVERT, Mr. CARBAJAL, Mr. CÁRDENAS, Mr. COLE, Mr. COOK, Mrs. CRAIG, Ms. HAALAND, Mr. KIND, Mr. RUIZ, Ms. SHALALA, Mr. YOUNG, Mr. KILDEE, and Mr. CISNEROS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to treat certain payments made by Indian tribal governments as earned income for purposes of the kiddie tax.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tax Fairness for Trib-
5 al Youth Act of 2019”.

1 **SEC. 2. CERTAIN PAYMENTS MADE BY INDIAN TRIBAL GOV-**
 2 **ERNMENTS TREATED AS EARNED INCOME**
 3 **FOR KIDDIE TAX.**

4 (a) IN GENERAL.—Section 1(g)(4)(C) of the Internal
 5 Revenue Code of 1986 is amended to read as follows:

6 “(C) TREATMENT OF CERTAIN AMOUNTS
 7 AS EARNED INCOME.—For purposes of this sub-
 8 section, each of the following amounts shall be
 9 treated as earned income of the child referred
 10 to in paragraph (1) to the extent included in
 11 the gross income of such child:

12 “(i) DISTRIBUTIONS FROM QUALIFIED
 13 DISABILITY TRUSTS.—Any amount in-
 14 cluded in the gross income of such child
 15 under section 652 or 662 by reason of
 16 being a beneficiary of a qualified disability
 17 trust (as defined in section
 18 642(b)(2)(C)(ii)).

19 “(ii) CERTAIN INDIAN TRIBAL PAY-
 20 MENTS.—Any payment made by an Indian
 21 tribal government (as defined in section
 22 139E(c)(1)), or from a trust of which the
 23 Indian tribal government is treated as the
 24 owner under subpart E of part I of sub-
 25 chapter J, to such child if—

1 “(I) such child is an enrolled
2 member of the tribe with respect to
3 such Indian tribal government, and

4 “(II) such payment is received by
5 such child by reason of such enroll-
6 ment.”.

7 (b) APPLICATION TO ALTERNATIVE MINIMUM
8 TAX.—Section 59(j)(1)(A) of such Code is amended by
9 inserting “and including amounts treated as earned in-
10 come under section 1(g)(4)(C)” after “section 911(d)(2)”.

11 (c) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to taxable years beginning after
13 December 31, 2017.

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